

FISCAL NOTE

HB 3060 - SB 3141

February 21, 2000

SUMMARY OF BILL:

- Repeals sales taxes imposed on cable television services imposed by Chapter 423 of the Public Acts of 1999.
- Eliminates taxes on satellite television services.
- Provides that only charges above the basic cable fee would be taxed at the state and local option sales tax rate.
- Provides an effective date of July 1, 2000.

ESTIMATED FISCAL IMPACT:

Decrease State Revenues - Net Impact - Exceeds \$32,000,000

Decrease Local Govt. Revenues - Exceeds \$500,000

Estimate assumes the following:

- A decrease in state revenues of approximately \$32,500,000, of which,
 - \$14,500,000 is the result of repealing taxes imposed on cable television under the provisions of Chapter 423 of the Public Acts of 1999.
 - \$18,000,000 is the result of eliminating taxes on satellite television services.
- A decrease in local government revenues exceeding \$500,000.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director